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Cover Page Footnote

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A Case Study of Undergraduate Debt, Repayment Plans, and Postbaccalaureate Decision-Making Among Black Students at HBCUs

By Dominique J. Baker

High payments and default on undergraduate debt have consequences; they are of national concern if aversion to debt deters students from making optimal postbaccalaureate decisions on postbaccalaureate educational aspirations, enrollment, and early-career occupation. I conducted two semi-structured interviews, near graduation and six months later, with six recent graduates of an HBCU who borrowed at some point in their undergraduate career and were required to complete federal exit counseling. I found that the relationship between undergraduate debt and postbaccalaureate decision-making is partially explained by the themes of timing and structure of information, family as a source of knowledge, comfort with the amount borrowed, and the realities of postbaccalaureate decision-making. The results suggest that following students past graduation is critical because the students' reported confidence or emotional state can change as repayment draws closer.

Keywords: *student loans, repayment, HBCUs, qualitative*

American undergraduate student loan debt and default have been on the rise with an estimated \$1.3 trillion in outstanding student loan debt as of October 2017 (Baker & Doyle, 2017; Federal Reserve Bank of New York, 2017; Looney & Yannelis, 2015), an increase of approximately \$200 billion from September 2014 (Federal Reserve Bank of New York, 2014). High payments and default on undergraduate debt have consequences; they are of national concern if aversion to debt deters students from making optimal postbaccalaureate decisions on educational aspirations, enrollment, and early-career choice. This can be particularly difficult to investigate as, contrary to some popular belief, the students most likely to have high payments and a greater likelihood of default are often the students with smaller amounts of student loans (Chapman & Dearden, 2017). Research illuminating the relationship between undergraduate debt and postbaccalaureate decision-making is needed. There is a particular need for research on how Black students create their belief structures about undergraduate debt and postbaccalaureate options as these students do not appear to make the same choices as other students in higher education. When holding constant undergraduate GPA, major, parental income and education, gender, and institutional characteristics (e.g., Carnegie classification), scholars have found that Black students have higher odds of aspiring to, applying to, and enrolling in graduate school, when compared to their White peers (English & Umbach, 2016). However, this does not lead to a disproportionate number of Black students pursuing graduate school. According to the Council of Graduate Schools annual report, Black students remain underrepresented in graduate school enrollments and completions, with declining enrollments over the past five years (Okahana

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& Zhou, 2017). Further, older research suggests that Black students are more likely to report a change in their postbaccalaureate career plans due to their undergraduate debt (Baum & Saunders, 1998).

Black students are more likely than their peers, particularly White peers, to borrow; to borrow at higher rates; to have higher monthly debt burdens; and to default on repayment (e.g., College Board, 2015; Hillman, 2015; Houle, 2013; Malcom & Dowd, 2012; Price, 2004). Suggestive evidence of undergraduate debt creating disproportionate trends in Black students' postbaccalaureate decision-making (Malcom & Dowd, 2012; Rothstein & Rouse, 2011) leads this paper to address the following questions:

1. How do Black students conceptualize their undergraduate debt and repayment options?
2. How does this conceptualization of undergraduate debt influence postbaccalaureate educational and early-career decisions?
3. How does the conceptualization of undergraduate debt and its influence change closer to time of repayment?

Qualitative research on undergraduate debt's influence on postbaccalaureate decision-making is scarce. A gap exists in the literature focused on how students process their undergraduate debt, make meaning of debt burden, select repayment plans, and decide on postbaccalaureate education or occupation based on cumulative debt. The current study begins to fill this gap in the literature focused on how students, particularly Black students, conceptualize undergraduate debt and their repayment options. This study focuses on a particular set of institutions: historically Black colleges and universities (HBCUs). Title III of the Higher Education Act (1965) created HBCUs, institutions founded before 1964 whose primary purpose was educating Black citizens (U.S. Department of Education, 2015c). Former Secretary of Education Arne Duncan once remarked, "We have over 7,000 institutions of higher education across the country, 106 of which are HBCUs. But in 2010, HBCUs still awarded a sixth of all bachelor's degrees and professional degrees earned by Black graduates in the U.S." (Duncan, 2013). HBCUs enrolled 11 percent of Black students in higher education in 2012 although they make up only three percent of all U.S. institutions (Center for MSIs, 2014). These institutions disproportionately educate Black students yet are rarely the focus of research on the influence of undergraduate debt on their experiences.

This paper reviews the existing literature on how undergraduate borrowing influences Black students' postbaccalaureate decision-making. Next, the paper outlines the research methods and follows this by sharing the results of the qualitative interviews. This includes the emergent themes of the timing and structure of information, family as a source of knowledge, comfort with amount borrowed, and postbaccalaureate decision-making. It is important to note that several themes may be, and likely are, similar to students' experiences at non-HBCUs. As an example, it is likely that students do not believe the timing of information about student loan repayment is appropriate across higher education (regardless of the mission of the institution). Still, the current paper is focused on illuminating students' process for understanding undergraduate student debt and postbaccalaureate decision-making for those attending HBCUs (which is why the rest of the paper focuses on these institutions). The discussion is closed with the results' policy implications and future avenues for research.

Literature Review

The purpose of this study is to gather and analyze evidence that could clarify the nuanced relationship between human capital theory and debt aversion and how this relationship changes over time. With that guiding focus, this section reviews (a) human capital theory, the theoretical basis for this work, (b) prior research on undergraduate debt's influence on postbaccalaureate decision-making with a focus on how this relationship shifts for Black students, and (c) why there is an explicit need for qualitative research.

Human Capital Theory

In Becker's (1964) seminal work on internal rates of return on human capital investment, he outlined the implicit decision-making process for students when considering enrolling in higher education. Students must evaluate the costs of enrolling in college and the potential returns to the increase in their human capital by acquiring new skills and knowledge. The costs are both direct (e.g., tuition and fees) and indirect (the foregone earnings the student could have earned with a high school diploma or GED alone). These costs might be offset if the student receives subsidies to attend higher education or works while enrolled. If a student receives a subsidy for higher education, such as a grant, the direct costs of enrolling decrease. Decreasing the net direct costs of higher education through subsidies is the primary focus of the United States' federal financial aid system. It can be difficult to assume the cost that students associate with higher education, particularly as students often confuse the sticker price (the price listed for attending the institution) with the net price (the price listed minus the financial aid provided to the student). With regard to benefits, investing in human capital leads to economic returns, both to the individual and to society, and non-pecuniary returns (such as increased civic participation, Doyle & Skinner, 2017; Paulsen, 2001).

Human capital theory has direct implications for both graduate school and early-career occupation choice. When students complete their bachelor's degree they must concurrently decide if they will try to enter the labor market or enroll in graduate school (e.g., another year of schooling to increase their skills and knowledge). The students may have to ask themselves questions like: Will attending graduate school pay me enough in the future to make up for the lost income? Will I not be able to get the type of job I want unless I attend graduate school? Students deciding whether to apply to graduate school must weigh these options and choose the individually optimal decision (Perna, 2004). Traditional interpretations of human capital theory predict that students would evaluate the amount of undergraduate loan debt they have borrowed and decide that the most rational way to repay the debt is to attend graduate school to obtain a higher-earning occupation. This, however, depends on the anticipated rate of return the students have for their investment in graduate school.

Regarding early-career occupation choice, students implicitly weigh the benefits and costs of certain occupations in order to decide which occupation is the most optimal for them. The benefits in the case of occupational choice are generally expected lifetime earnings and non-pecuniary benefits (Boskin, 1974). The costs are often the training required for the new occupation and the foregone potential lifetime earnings in other occupations. Under human capital theory, students are predicted to choose occupations that maximize their lifetime utility, often measured as the present value of potential lifetime earnings (Blaug, 1976; Boskin, 1974).

While historical uses of human capital theory focused on the average student, heterogeneous preferences and the ability of each student affects both the supply and demand of higher education available to that student (Altonji, Blom, & Meghir, 2012). Demand for higher education can differ for students depending on their personal backgrounds and experiences (Paulsen, 2001). Students vary in the amount of ability they have, discrimination they face, quality of primary and secondary opportunities, and more. These differences can affect students' perceptions of how beneficial higher education would be for them. Even when, on average, there is a high earnings differential between two different levels of educational attainment, certain groups of students may, correctly or incorrectly, assume that those benefits will not accrue to them (Paulsen, 2001).

The supply of money to cover the direct costs of higher education also varies depending on the student. Credit markets do not treat all students or families the same, and often students from low-income backgrounds or those who are racial minorities have less access to financing options (Becker, 1975, 1993; Paulsen, 2001; Rothstein & Rouse, 2011). Need-based financial aid fills a critical gap in the supply for higher

education because, without it, the costs would be so high that students could view their optimal amount of investment in higher education as less than beneficial both to other types of students and to society (Paulsen, 2001).

With these differential effects in mind, numerous scholars have found suggestive, though not conclusive, evidence that some student populations (e.g., racial ethnic/minorities, students from low-income backgrounds) can be risk-averse when confronted with undergraduate student loans (Boatman, Evans, & Soliz, 2017; Callender & Jackson, 2005; Cunningham & Santiago, 2008; Field, 2009; Perna, 2000). This is often posited as the result of structural income and wealth inequalities (Oliver & Shapiro, 1997), cultural aversion to debt, or familial lack of or negative experience with borrowing more generally (Cunningham & Santiago, 2008). Based on prior research, students underrepresented in higher education could react more strongly to the increasing reliance on student debt for college funding which could influence the benefits students associate with either entering the labor market directly after earning a bachelor's degree or selecting a high salary occupation.

A simpler way to think through the choices a student makes for additional schooling and then early-career occupation or graduate school is to focus on the sequential decisions each student makes (Altonji et al., 2012). Before enrolling in an undergraduate institution, a student chooses a major and whether to choose an occupation or enroll in graduate school directly after graduating (initial decision). She decides on these alternatives nearly simultaneously and bases the decision on her underlying preferences and her abilities, as well as her uncertainty about those two factors (no student can truly know the extent of her ability or preference for a certain occupation or postbaccalaureate degree; Altonji et al., 2012). During her undergraduate career, according to human capital theory, the student constantly reassesses the costs and benefits of persisting in college. Once the student nears earning her bachelor's degree, she must again assess whether more schooling or certain occupations provide more costs or benefits. This process of assessing the costs and benefits connected to human capital theory is rarely investigated, due to the requirement for in-depth qualitative investigation. This paper helps to fill this gap in the literature.

Undergraduate Debt's Association with Postbaccalaureate Decision-Making

The analysis presented below primarily focuses on the relationship between undergraduate debt and graduate school and early-career choice (measures of postbaccalaureate decision-making). In general, prior research found mixed evidence of the relationship between undergraduate borrowing and graduate school decision-making (such as Baum & Saunders, 1998; Carter, 1999; Perna, 2004; English & Umbach, 2016). However, the causal research has found fairly consistent evidence pointing toward an insignificant effect of undergraduate debt on graduate aspirations (Rothstein & Rouse, 2011) and a negative effect on graduate school enrollment in STEM fields (Malcom & Dowd, 2012). Focusing on early-career choice, both the correlational evidence (such as Baum & Saunders, 1998; Minicozzi, 2005) and the causal evidence (Rothstein & Rouse, 2011) report a primarily positive effect of undergraduate debt on early-career occupation salary and negative effect on the likelihood of working in a nonprofit occupation. The causal evidence suggests that, as students increase their undergraduate debt, they are less likely to enroll in graduate school or select careers in the public sector (so-called low-salary industries).

Prior research has found that Black students were more likely to aspire to graduate study if they attended an undergraduate institution with higher percentages of Black students (Carter, 1999). HBCUs are more likely to graduate Black students who go on to earn a doctorate, even after accounting for the number of Black students they enroll (Sibulkin & Butler, 2011). Understanding the experiences of students attending these institutions is especially critical because research suggests that shifting higher education funding to loans instead of grants may disproportionately disadvantage underrepresented students, racial/ethnic minorities, and/or students from low-income backgrounds (Long & Riley, 2007). For example, of students

who earned a bachelor's degree in 2011–2012, 30 percent had no debt and only 18 percent had \$40,000 or more in debt (College Board, 2015). However, Black students, the majority of students attending HBCUs, accumulated larger amounts of undergraduate debt than the average bachelor's degree recipient. Of Black students, 14 percent had no debt and 32 percent had \$40,000 or more in debt (College Board, 2015).

This debt accumulation is exacerbated for students attending HBCUs. In 2013, 80 percent of the students attending HBCUs borrowed at least one federal loan (subsidized or unsubsidized), a significantly larger share than their peers attending non-HBCUs (55 percent borrowed at least one) (Saunders, Williams, & Smith, 2016). Students attending HBCUs also borrow more on average and are more likely to borrow substantial amounts (\$40,000 or more) to finance their undergraduate education. This is, in part, due to the student populations served by HBCUs and the differential access these students have to funding for institutional grants (Saunders et al., 2016). Regardless, solely focusing on overall borrowing patterns would obscure the additional debt burden faced by Black students, particularly those attending HBCUs.

Recent research documents a student loan disadvantage for students attending HBCUs, regardless of race. Research from Texas and North Carolina found that students attending HBCUs had significantly higher delinquency and default rates than students attending Hispanic-serving institutions (HSIs) or predominantly White institutions (PWIs; Fletcher & Webster, 2010; Rust, 2009). Recent changes to Parent PLUS loan eligibility have also added to the unease surrounding differential influences of undergraduate loans. In 2011, the Obama administration added additional criteria, such as unpaid debts in collection within the past five years, that could disqualify a family from receiving PLUS loans (Doubleday, 2013). Scholars and policymakers generally view this as a response to fiscally inappropriate access to debt after the Great Recession. Two recent empirical papers (Britton, 2015; Johnson, Bruch, & Gill, 2015), suggested that HBCUs were differentially affected by the change in PLUS loan eligibility compared to all non-HBCUs and predominantly Black institutions (those whose enrollment is at least 40 percent Black and 50 percent low-income or first-generation degree-seeking; Higher Education Act, 20 U.S.C. §§ 1059e). Their conclusions add credence to the idea that a general investigation into how students perceive undergraduate debt may not yield useful information because attending an HBCU might have a moderating influence on students' borrowing and decision-making behaviors.

Need for Qualitative Research

The most updated qualitative research on undergraduate debt and postbaccalaureate decision-making or repayment comes from Fernandez, Fletcher, Klepfer, and Webster (2015). The authors conducted interviews with 38 students graduating from six institutions from different regions of the United States (three in Texas, two in the Southeast, one in the Midwest) and sectors (three public 2-year, two private 4-year, one public 4-year) as they completed federally mandated exit counseling for the students' federal student loans. This is a useful purposive sample of graduating students for a qualitative investigation of the thoughts students have during the student loan exit counseling. The authors found that students often reported high levels of confidence in themselves to repay their debt or in the system to help them find alternative means of repayment if necessary. This finding, along with other research (e.g., Baum, 2016; Akers & Chingos, 2016), does not support the popular-press idea that students who have borrowed feel inhibited by their debt. While the study was timely and relevant, the researchers only spoke with students once. Thus, the study does not provide information on whether students' confidence in "the system" and their ability to repay their loans changed over time. Additionally, since the focus of the work was on evaluating exit counseling, in-depth questions about students' beliefs about their debt or postbaccalaureate futures were limited.

It is difficult to disentangle the processes that produce quantitative evidence on this topic. Understanding undergraduate debt's effect requires understanding why students react to an increase in cumulative loan

amounts by choosing not to enroll in graduate school or choosing higher-salary early-career occupations (though higher-salary early-career occupations do not always align with higher lifetime earnings). Qualitative data provides the potential for deeper clarification of the processes students use to make postbaccalaureate decisions. Most prior research on undergraduate debt and postbaccalaureate decision-making is quantitative. Although this can produce useful evidence of the effect of undergraduate loans, it does not help scholars or practitioners understand how students make meaning of their undergraduate debt and how they perceive their postbaccalaureate options.

There are large gaps in the theoretical and practical understanding of how students' perceptions of undergraduate student loans influence their behavior (Cunningham & Santiago, 2008). While human capital theory provides a useful theoretical frame to imagine students' overall decision-making, there remain processes that are less understood. For example, do students reassess the cost of higher education (including their undergraduate student loans) every month? Or is it every year? It could be that these students do not reassess their cumulative amount of undergraduate debt until they graduate. Also, it is likely that the students assess the costs and benefits of additional education differently whether the students are near graduation or six months after (once they have begun repaying their student loans). It is not clear how the actual process of assessing costs and benefits occurs, particularly for students attending HBCUs. Black students, particularly those attending HBCUs, face additional challenges both in financing higher education and in postbaccalaureate decision-making, particularly in education. Due to this reality, it is important to understand the nuanced decision-making process specifically for these students. The objective of this work is to fill gaps in the general field's understanding of how Black students conceptualize undergraduate debt and their repayment options.

Research Methods

Participants

Six undergraduate students were interviewed who held federal undergraduate loans and graduated from an HBCU. The institution the students graduated from, referred to as Southern Region Institution (SRI), is located in the southern region of the United States. SRI is a small institution with fewer than 10,000 undergraduate students. At the end of AY 2014–2015, less than 60 students who borrowed federal undergraduate loans graduated. Of those students, 80 percent were female and the average cumulative amount borrowed was almost \$23,000 in combined Federal Direct Subsidized and Unsubsidized loans. In the same academic year, approximately 63 percent of all U.S. college graduates from private not-for-profit institutions borrowed to finance their undergraduate education (College Board, 2016). On average, private not-for-profit college graduates in the same year who used undergraduate loans to finance their undergraduate education borrowed \$31,400 (College Board, 2016). Further, 66 percent of the 2009 entering cohort at US four-year not-for-profit private institutions earned a bachelor's degree within six years (by 2014–2015) (NCES, 2016). While below the national average, SRI was a high achieving institution as evidenced by the six-year graduation rate (consistently above 40 percent).¹ Therefore, SRI follows national trends on the number of students who borrow, though the cumulative amount borrowed and graduation rate are smaller than the national average.

Table 1 gives a brief overview of each student from SRI. This paper uses pseudonyms to protect participants' confidentiality in the results that follow.

¹ Author's calculations of IPEDS data.

Table 1

Information about Participating Students

Pseudonym	Amount of Debt Phase One	Amount of Debt Phase Two
Amanda	\$10,000–\$19,999	\$10,000–\$19,999
Sandra	\$10,000–\$19,999	\$30,000–\$39,999
Jocelyn	\$50,000+	\$50,000+
Annie	<\$2,500	\$10,000–\$19,999
Nicole	\$20,000–\$29,999	\$20,000–\$29,999
Cecelia	\$50,000+	\$50,000+

Note: All debt is self-reported undergraduate student loans.

Graduates borrowed a combination of Direct Loans, subsidized and unsubsidized, from the federal government. At least three of these graduates had parents who also borrowed PLUS loans. The students were 21–22 years old when they graduated from SRI. All the graduates self-identified as African American, Black, or Black American and reported majoring in either social sciences or humanities fields.

Sampling

A member of the Office of Financial Aid sent out the recruitment email for this study to all students who had completed or would be completing repayment counseling on their federal student loans. Those students then had the opportunity to contact the author if interested in participating in the study. Although this could have made students take the email more seriously, it also limited the number of times potential participants were contacted about participating in the study. It would have been useful to be able to contact students directly about participation in this research. The current study employed this purposive sampling method due to the highly sensitive nature of the information about the students. SRI was unwilling to provide the researcher direct contact information of the students or to grant the researcher access to financial aid data on its students, which would have allowed the researcher to sample students randomly or to contact all students directly.² Thus, the sample comprises five women who were presumably eager to discuss their undergraduate debt (10 percent response rate). To increase the sample size, students were asked after completing their interview if they knew of anyone else who would be a good fit for the research study (snowball sampling, Bogdan & Bilken, 1992). This produced one additional participant, who brought the total to six.

Generally, qualitative research does not strive for the same type of inferential ability as quantitative research. This does not mean that qualitative research is less than or subordinate to quantitative research. Quantitative researchers, particularly when using frequentist statistics, focus on analysis methods that will produce probabilistic estimates with sufficient power to detect the likelihood of an effect being found by chance (Trotter, 2012). Qualitative research produces culturally representative research which can allow for a deeper understanding of potential mechanisms and processes that drive students (Trotter, 2012). Therefore, instead of aiming for a particular number of students, this paper focuses on the process of selecting a specific set of students in order to reach a point of interview data saturation (all questions from the interview protocol have been answered in-depth and no new themes emerge in subsequent interviews,

² Due their unique mission, researchers frequently contact HBCUs in order to gain access to their students. This can in some instances impede on the institutions providing a useful education to their students. For these reasons, these institutions are often more hesitant to provide information to outside parties in order to protect their students' ability to learn. Further, staff at SRI cited FERPA regulations and the privacy of their students as major barriers to allowing any outside observance of the exit counseling process.

Schensul & LeCompte, 2010). After interviewing 10 percent of the graduating students from SRI, the analysis reached a level of interview saturation that removed the need for additional data from new participants. The goal of this paper is to better understand the process of decision-making for Black students attending HBCUs, not to predict the effect of undergraduate debt on the postbaccalaureate decision-making of all Black students attending HBCUs. For these reasons, 12 interviews with six students is a sufficient amount of data to meet the goals of the current research.

Data Sources

Both document/artifact analysis and semi-structured interviews were utilized with the recent graduates of SRI. Due to prior professional experience with the U.S. student financial aid system, the current analysis included documents that provided updates on the systematic processes for students originating a student loan, any mandated or suggested interactions with the federal government or SRI during the collegiate career, and the systematic processes for student loan exit counseling and repayment. The document analysis included close reading of the United States Department of Education website and publicly available financial aid documentation from SRI. This analysis included both the Department of Education's Financial Aid website (U.S. Department of Education, 2015b) and the Federal Student Aid website (a more user-friendly version, U.S. Department of Education, 2015a). Approximately 40 documents, focused on the student loan process in the United States and the options for students to repay those loans, were used to help create the interview protocol and guide follow-up questions (probes) (see Table A1 in the Appendix). These documents created better context for understanding the national and institutional financial aid context for SRI and served as additional data for the current study (Lincoln & Guba, 1985).³

The data collection included semi-structured one-on-one telephone interviews with recent SRI graduates (Rubin & Rubin, 1995). While face-to-face interviews would have been preferable, research comparing telephone and face-to-face interviews found them to be comparable (Sturges & Hanrahan, 2004). Scholars have found that the primary difference between telephone and face-to-face interviews are the potential for nonverbal or contextual data (Holt, 2010; Sturges & Hanrahan, 2004). The scholars also pointed out that building rapport with the participants, along with genial telephone skills, can help with eventual probing for more contextual data. Beyond that, the telephone interviews appear to provide the same evidence as the face-to-face interviews. Due to these concerns with contextual data, the first five to ten minutes of each interview were dedicated to getting to know the participant and building rapport. As recommended by Yin (2003), this analysis used interview protocols that were developed based on the theoretical framework and review of the literature (see Appendix for interview protocols). The focus of the interviews was how students conceptualize undergraduate debt and their repayment options.

The researcher interviewed participants at two different points in time, referred to as phase one and phase two. As these interviews were semi-structured, the researcher allowed participants to deviate from the protocol if interesting and relevant information emerged. In phase one, the researcher interviewed students during the summer directly after the students graduated in 2015. Participants received a \$25 gift card as compensation. In phase two, the researcher interviewed each student again at least six months after graduation, closer to the time when the students must make repayment decisions with the federal government. Participants received a \$15 gift card for participating in the second interview. This follow-up interview was critical because research shows that students generally cannot correctly estimate the dollar amount of student loans they have borrowed while still enrolled (Akers & Chingos, 2014; Andruska, Hogarth, Fletcher, Forbes, & Wohlgemuth, 2014). During these interviews, the researcher wrote field notes

³ Due to the researcher's prior experience with financial aid, discussed in the "background of researcher section", only documents providing an update on the process of student financial packaging and student financial aid policies broadly were included.

for each student. After each interview, audio recordings were professionally transcribed verbatim. Phase one interviews lasted approximately 1 hour and phase two interviews lasted approximately 30 minutes.

Data Analysis Methods

Once the interviews were transcribed, the researcher used NVivo 11 software to analyze the data in an iterative process. First, the researcher read the full transcripts and expanded on the field notes written while the researcher interviewed the students. These field notes included methodological notes and theoretical notes on emerging themes based on the prior review of the literature (e.g., comfort, timing). From there, the researcher read the transcripts again and coded them for broad categories influenced by the previously created methodological and theoretical notes (Strauss & Corbin, 1990). For example, during the interviews the participants repeatedly mentioned not having a clear understanding of their cumulative amount of undergraduate debt until participating in federal exit counseling. The researcher noted this in the notes after each interview. Therefore, when coding the transcripts at this stage, the researcher made sure that all instances highlighting confusion about the amount of cumulative undergraduate debt were appropriately notated.

At this point, the researcher wrote memos summarizing the themes in each interview, combining the themes that emerged during and directly after the interviews with the categories that emerged from reviewing the transcripts. The researcher followed this process for both phase one and two interviews, though the researcher integrated the emergent themes from phase one into phase two interviews (Lincoln & Guba, 1985). During this entire analytical process, the researcher discussed the emerging themes and field notes with a peer debriefer (who also holds a PhD in education policy and primarily conducts qualitative research) to obtain an outside perspective on the analysis and ensure acknowledgement and minimization of any personal biases in interpreting participants' statements (Lincoln & Guba, 1985). At the end of this process, the researcher analyzed the themes that emerged from all the transcripts in order to code for themes across students and across time. All participants were offered the opportunity to review both the thematic memos interpreting their interviews and the final analysis that was included in this paper. The participants found no areas that needed to be changed. These member check-ins enhanced the trustworthiness of the results presented in this paper (Lincoln & Guba, 1985; Merriam, 2009).

Background of Researcher

The researcher identifies as a Black woman who has a strong familial history with HBCUs. This likely led to an increased ability to create rapport with the participants. Also, the researcher previously worked as an assistant dean of admissions whose primary focus was low-income and first-generation college students and as a financial aid liaison for a selective institution located in the southern region of the United States. This practical experience led to a deep understanding of the student financial aid process, particularly loans and the relationship they can have with students' postbaccalaureate decision-making. The researcher gained this experience at a selective public institution in the same region of the country as SRI. The researcher acknowledges that the financial aid priorities might have been different for the two institutions, but the manner of packaging students' financial aid awards were similar (based on informal conversations with staff in SRI's financial aid office that specifically addressed the order of packaging financial aid sources).

Limitations

This work has a small number of participants, primarily because of two issues. First, in order to gain permission from an institution to participate in this research, the Office of Financial Aid had to contact the population of students completing exit counseling and graduating that year. Although this could have made students take the email more seriously, it also limited the number of times potential participants were

contacted about participating in the study. It would have been useful to be able to contact students directly about participation in this research. Second, the timing of the first email to students, April 2015, was likely an extremely busy time as students prepared for graduation and/or moving away from college. The first interview needed to be near when students conducted exit counseling which required the email to be sent during a busy time for the graduating students. The Office of Financial Aid sent follow-up emails after graduation in order to mitigate this.

Having several sources of data for triangulation would have been advantageous (Lincoln & Guba, 1985). As previously mentioned, SRI could not give the researcher actual cumulative loan amounts for each student, so the analysis could not include verification of the figures students reported in the interviews. Future research should also involve interviews with stakeholders in counseling students on loan repayment and students not attending HBCUs (as contrast cases). This, in addition to more interviews with students at more institutions, should create a more robust compilation of data about perceptions of undergraduate student loan debt and its influences on the future decision-making of underrepresented students.

Results

The primary themes I found were timing and structure of information, family as a source of knowledge, comfort/discomfort with the amount borrowed, and realities of postbaccalaureate decision-making.

Timing and Structure of Information

SRI students directly reported that the sources they consulted for information on loan repayment were federal exit counseling (all six), friends (four), family (two), federal government websites (two), loan servicers (one), and job recruiters (one). During the phase one interviews, students reported finding the federally mandated exit counseling useful in preparing them for understanding their monthly repayment. Exit counseling involved students completing an internet module created by the federal government that covers how students can repay their federal student loans. The module outlined the cumulative amount the student owed (including interest) as well as the monthly payment based on the student's repayment options. Students were required to complete exit counseling to obtain their degree or their transcript from SRI. To be clear, students would often refer to federal exit counseling as "the pie chart" or "the website where I found out how much I have to pay." Only twice during all the interviews, both phase one and phase two, did students refer to exit counseling by name. Annie, who reported borrowing less than \$2,500 during the phase one interview, said, "I recently completed the exit counseling for the loan, so that was most recently what really helped me, you know, concretely set pay, schedule the pay in the amount that I'm comfortable with." She, and three other students, said the exit counseling put her debt in perspective and helped her to conceptualize the amount she owed. The timing of exit counseling sometimes overshadowed this potential benefit. SRI students emphasized that the timing of counseling on borrowing and repayment of their undergraduate debt was critical.

The federal government mandates entrance counseling when students begin their postsecondary studies if the students are borrowing federal loans. The next time students are mandated to participate in financial counseling is when they are graduating and therefore exiting the institution. During both phase one and phase two interviews, no graduates had any recollection of income-based repayment plans (even though the researcher brought them up at the end of phase one interviews); they discussed deferring loans only in relation to a relative or friend who had previously done so. It is not surprising then that five of the six graduates did not find the federally mandated exit counseling to be enough preparation. Amanda, who reported borrowing between \$10,000 and \$19,999, discussed the issues with the timing of exit counseling in her phase one interview.

I had the freshman introductory blah blah blah, here's the loans. I don't recall them saying my loans would start accumulating [interest]. There's no follow-up during sophomore or junior year. I heard during the final semester from an underclassman... They know that you're not interested [as a] freshman so they don't spend as much time on the introductory mandatory entrance counseling... Moving forward, I hope that the financial aid office is a little more proactive in reaching out to students and making sure to reach out to students to make sure they are given correct and complete information regarding their loans. A lot of what you hear about loans in college is hearsay and unless you sit down with someone from financial aid it's hearsay.

While it is likely that the entrance counseling did include interest rate accumulation for unsubsidized loans, Amanda reported having no knowledge of this accumulation until she completed exit counseling. She said, "Had I known I was going to start accumulating interest while I was in school I would've used the money to pay it off." She also emphasized that the financial aid office should be more proactive in contacting students to share information about financial aid.

Unease with the timing of information delivery was common. Sandra, who reported borrowing between \$10,000 and \$19,999, discussed SRI's role in providing information through a session held for graduating seniors about financial aid.

They did but it was not helpful. It was during graduation season, a couple of weeks before graduation, people were trying to graduate and had exams so no one went. Even though in my head I was like "Oh it's important I should go" ...send me emails at the end of the semester it seems like you don't care and if you don't care, why should I care?

Sandra's quote highlights a sentiment about the SRI loan programming shared by the other five graduates. They perceived the timing of both the federally mandated exit counseling and the SRI-specific loan discussion as being too late to affect actual borrowing behaviors. During the phase one interviews, Annie was the only SRI graduate who mentioned feeling more secure in making decisions about repayment based on the federal exit counseling. She also reported the smallest amount of undergraduate debt (less than \$2,500). When the researcher questioned students about their experiences with federal exit counseling, the five who were dissatisfied all discussed wishing they had a better understanding of how much they were borrowing each year. The intention of federal exit counseling is not to notify students of cumulative debt amounts at the end of each academic year (U.S. Department of Education, 2016a); its intention is to prepare students for entering repayment once they leave higher education. There are other institutional mechanisms to satisfy that need, i.e., students also received financial aid award letters every year they apply for funds, complete a Master Promissory Note for student loans, and have access to student account information showing student loan disbursements. Thus, it appeared that part of the dissatisfaction with exit counseling stemmed from a lack of information on topics that exit counseling was never intended to affect.

Family as a Source of Knowledge

SRI students often reported consulting with family members as a source of knowledge about debt and repayment. Sandra reported that she had learned from a family member that a student could defer payment on her undergraduate loans if she enrolled in a postbaccalaureate education program. She said, "I didn't know that you could defer your school loans. I found that out from [my sibling]." There was an emphasis on family as a resource for information as well as emotional support. While this reliance was expected based on prior research, the overwhelming focus on the family was not. Even though the words *family* and *parent* were not used in the research protocol questions, students used these words more than 60 times during the interviews. The researcher did probe once students began to discuss their families and it became clear their families were a central area of support for participating students, with friends/peers being a close second (based on the number of mentions). All students readily reported using their families either directly, as sources of advice on how to navigate the financial aid system, or indirectly, by informing how the students conceptualized debt and the extent to which they were comfortable with it (which ranged from complete

comfort to anxiety and fear). For example, Amanda said that her parents were constantly hiding from student loan creditors. When questioned about her family's experience with "dodging Sallie Mae," Amanda shared:

My parents [are] still paying back their student loans from when they were in school. Mom is unemployed so she kind of avoids those letters and those phone calls.

Other graduates reinforced this discomfort, speaking of family members "not moving out [of parents' homes] yet because they're saving up to pay back their loans." In fact, Nicole, who owed between \$20,000 and \$29,999, said she would rather work full-time while attending graduate school full-time.

Nicole: I just don't like the concept of knowing that I owe somebody so the sooner I can pay them back or make a dent in paying it back [the better]. Debt I just uhh I don't like the sound of that, I don't like the word. So any of the free time I had I would like to work to pay back something.

Interviewer: Why do you think you feel that way?

Nicole: Maybe upbringing? My parents taught me [to] try not to owe somebody

Nicole appeared anxious to repay her undergraduate debt and reported wanting to do so as quickly as possible. She reported not being willing to put her loans into deferment while enrolled in graduate school because of the interest that would continue accruing. She also reported that she had absorbed these feelings of anxiety around debt from her parents, who repeatedly emphasized that debt is not a good thing. Nicole's parents may have had a limited number of experiences with debt, however, as the only debt she could think of that they might have had was an auto loan. During her phase two interview, when she had begun repayment, Nicole said that she was "pretty nonchalant" about repaying her student loans. She did not get accepted to graduate school and decided to work while taking a year off from school, which allowed her to meet her monthly payments in the "good old-fashioned way," as she called it.

At the other end of the spectrum, Annie reported that the amount she was borrowing did not concern her.

The [less than \$2,500] doesn't overwhelm me but my parents are paying back the larger portion. Not too concerned...You know my mom and I discussed getting [me] getting a part-time job...my mom said, "No your job right now is to be a student."

Annie reported not feeling anxious during the phase one interview because her parents would be repaying most her undergraduate debt. She went further during her phase two interview, saying, "It's kind of [my parents'] gift to me...I figured I would just work and pay off my portion of my debt and my parents help me pay off my portion of my loans."

Comfort with Amount Borrowed

The SRI graduates expressed a range of feelings, from mild discomfort with the amount they had borrowed to more severe apprehension. Where a graduate fell on this continuum generally corresponded to the amount borrowed, with those borrowing more than \$20,000 tending to express more discomfort. The two graduates with less than \$20,000 in debt often expressed more comfort with the amount they borrowed (I include Annie here because, even though she changed her reported amount between phase one and phase two, both amounts were less than \$20,000). These graduates shared sentiments like this: "I'm kinda still in that indifferent [space]" (Amanda).

The three students who borrowed more than \$20,000 tended to express surprise at the final amount borrowed (Sandra is counted separately because her reported amount changed substantially between interviews). Jocelyn conveyed her amazement during her phase one interview at the amount of money she had borrowed to finance her undergraduate education.

Jocelyn: It was a shock to me. I was expecting around \$30,000 when we did the exit counseling...

Interviewer: Did someone talk about that amount with you while you were at [SRI]?

Jocelyn: No I just always checked [the website] but I guess I forgot to include the Perkins loan [when checking]. Me and my friends just looked through [the website], no one ever sat down and talked to us about loans...I would get emails from only one service loan not all of them that would also be a factor too.

Jocelyn did not seem to have a clear understanding of how much she had borrowed until her exit counseling. She took personal responsibility for overlooking some of her loans when totaling her debt but failing to recall all one's debt might be one reason students said they would have benefited from more proactive interactions with the financial aid office. As mentioned previously, students could initiate meetings with financial aid administrators but rarely took the opportunity to do so. With students typically meeting with the financial aid office only at the beginning and end of their undergraduate careers, it is understandable that they could continue to miscalculate their total debt (Fernandez et al., 2015). This is particularly true because the entrance counseling occurs during orientation, “when students aren’t paying as much attention” (Jocelyn).

Still, it appears that exit counseling is playing at least one critical role: making sure that soon-to-be graduates know the final amount borrowed and the approximate monthly repayment. Two of the SRI graduates reported different total amounts of debt at the two interviews. One of those students is Sandra. Sandra discussed her feelings on the amount of debt she had accumulated in her first interview: “as compared to my [sibling] and what [my sibling] has to pay back, I’m appreciative of the amount I borrowed.” These sentiments changed once she had a clearer understanding of the amount she borrowed and the amount of her monthly repayment (in phase one she reported \$10,000–\$19,999 of debt but \$30,000–\$39,999 during phase two). In the second interview, she said that the amount she borrowed was “worthwhile only because I did get a [scholarship], so I’m better off than other people...With that being said, I’m still surprised at how much I owe back... [that amount is] a little bit ridiculous.”

All the SRI students reported that the amount they borrowed was worthwhile. They considered their undergraduate education “an investment in yourself” (Jocelyn). Four of the SRI graduates reported career interests that required postbaccalaureate education: foreign service officer, dentist, school counselor, and medical doctor. Cecelia explained how she rationalized the amount of undergraduate debt she held.

Cecelia: Well, because of this career path that I’m on, I do, but I feel like if the career path that I’m on wasn’t my – you know like [if I wanted to] be a teacher or something, I don’t feel like it would be worth that type of money, because that’s probably a teacher’s salary in one year, you know?

Interviewer: So can you explain that a little bit more?

Cecelia: ...if I don’t have any other – you know any other means of borrowing it, then I – you know to get my education, I think you know in the end, [professionals in the career field I am interested in] kind of – it’s always worth it for them, you know that amount of money, and just kind of the amount of schooling that they put in and then you know you can pay it back faster and you know sooner – you know faster or sooner or whatever.

Cecelia suggested that, if she had planned on a less lucrative career, she would not be comfortable with the amount of undergraduate debt she held.

Postbaccalaureate Decision-Making

SRI graduates had varying post-college plans. Four students planned to start careers that required postbaccalaureate education, but all six students reported plans to enroll in some type of graduate school, first professional degree, or certificate program. Annie and Amanda said their undergraduate debt had no effect on their decisions after graduating. Annie attributed her ability to continue with the same postbaccalaureate plans, regardless of the amount she borrowed, to her knowledge that “education doesn’t stop after undergrad, so I’ve been preparing for... the amount I will owe after [my postbaccalaureate degree].” Amanda echoed these thoughts.

The goal has always been to make – to impact change. It's just the way that I went about it has varied. And so in doing so, I never – I didn't really consider my loans that much because I figured I would be able to find a way, somehow, to find a program or to find a job that would forgive my loans or allow me to continue my education at no additional cost so that my loans wouldn't increase. So that you know with the educational backing, my pay scale and pay rate would increase, thus enabling me to make consistent payments and larger payments towards loans. Though it's never been a real issue, per se. I've always considered it but it's never been "Okay, well, I better do this so that I can make sure that I pay my loans." It's been, "This is what I want to do."

Amanda reported perceiving that, regardless of the postbaccalaureate education or occupation she chose, she would always be increasing her salary, which would allow her to make her payments. It is interesting that both Annie and Amanda had the lowest amounts of cumulative debt. Also, Annie reported familial support beyond that of her peers (parents willing to repay all her undergraduate debt), which could have increased her confidence in her ability to meet repayment responsibilities regardless of postbaccalaureate decisions.

Four of the students reported a change in behavior between phase one and phase two interviews. Cecelia said that her debt "encouraged [her] even more to know that [she] had this much debt, [so she] got to go out to the finish line in order to be able to pay it back." She said her debt motivated her to continue her education so she could obtain a higher-salary occupation in order to repay her undergraduate debt. She also stated that the debt made her take time off before starting postbaccalaureate education. Cecelia had performed poorly in one of the undergraduate courses necessary for admittance to the postbaccalaureate program she preferred. She planned to wait to enroll in the program of her choice until she could take the course again. When the researcher asked if she would have retaken the course while still enrolled without the amount of debt she had, she replied, "Probably, yes. I'm definitely sure, yeah." Both Jocelyn and Nicole planned to work while pursuing postbaccalaureate degrees in order to reduce the amount of debt they held, even though they would have had opportunities to defer repayment.

Although three students changed their immediate plans after graduating from college, only Sandra changed her long-term career goals. Sandra still planned to attend graduate school, but in her second interview she reported placing certain restrictions on any postbaccalaureate education.

Sandra: 'Cause even if I'm working I still want to continue my education but being financially stable is way more important...I've also been thinking about doing an online master's program...my friend told me how much she has to borrow [to attend graduate school] and I'm like "Whoa!"

Interviewer: If you did not have any undergraduate debt, what would your plans have been after graduating?

Sandra:...I wouldn't feel so pressured to like decide, "OK, I did want to go to an on-campus [master's]," but now I'm like 99 percent sure I'm not going to be on a campus again.

Sandra's description of how she adjusted her plans for her education, and therefore her long-term career, tell an interesting story. During the first interview, she spoke of pursuing a career requiring a professional degree (e.g., JD, MD) after taking a year's break. However, once she experienced the academic break and began repaying her debt, she reported having changed her mind and decided to focus on financial stability. This does not preclude her attending graduate school at some point in the future, but her focus on financial stability drove her to report only considering online degree programs.

Discussion

These results suggest that part of the postbaccalaureate decision-making process for Black students attending HBCUs, particularly women due to the demographics of the analytical sample, might be partially explained by the timing and structure of information, family as a source of knowledge, comfort with the amount borrowed, and the realities of postbaccalaureate decision-making. The six students in the sample initially reported not allowing undergraduate debt to affect their postbaccalaureate plans. However, four of

the six students later reported changing either their immediate plans after graduating or their long-term career plan in some part because of the amount they had borrowed; these students also carried the highest cumulative debt loads. Students expressed more confidence in their ability to repay their undergraduate debt during their phase one interviews. This finding mirrors the high levels of confidence reported by the students in Fernandez and colleagues' (2015) research on federal loan exit counseling. However, based on the theoretical framework, by the time of the phase two interviews, four students who had begun repayment reported more anxiety about their ability to repay their undergraduate debt. The results suggest that future research interested in postbaccalaureate decision-making of college students, particularly Black students attending HBCUs, may need to follow the students past graduation because the students' reported confidence or emotional state may change as repayment draws closer.

Based on human capital theory, the researcher expected that timing and structure of information on undergraduate borrowing and repayment would be critical to students' conceptions of undergraduate debt and postbaccalaureate decision-making. Though the researcher never directly asked about families in the interview protocols, students consistently pointed to their families as primary sources of knowledge about undergraduate debt and repayment. This aligns with the general emphasis in prior research on parents' transfer of knowledge and financial and cultural capital to their children, which influences children's decision-making (Houle, 2013). The researcher directly probed students about their comfort with the amount borrowed and the realities of postbaccalaureate decision-making; therefore, it is not surprising that students provided information on these topics.

Human capital theory posits that students can reassess their postbaccalaureate decision-making based on the amount of undergraduate debt they hold in an iterative process throughout the undergraduate career (Altonji et al., 2012). The findings suggest that the process of reassessment for Black students attending HBCUs (again particularly women based on the analytical sample) may not include a full acknowledgement of the cumulative amount of undergraduate debt until they exit higher education. None of the students reported noticing SRI's changes in tuition (over the students' undergraduate careers, the average tuition and fees increased by approximately \$1,400). Similarly, the students reported beginning higher education with an idea of their early-career occupation and the education required for it and for their long-term career goals. The students made this decision jointly with how much the students would borrow to finance higher education. Once the amount of debt they had accumulated became real to the students, they reported reassessing their previous occupation and postbaccalaureate education plans.

These results stem from a purposive sample of students. Black students attending HBCUs are more likely to report a sense of well-being when compared to Black students who graduated from non-HBCUs (Seymour & Ray, 2015). In fact, when compared to institutions with similar enrollment of students from low-income backgrounds, HBCUs have higher six-year graduation rates than non-HBCUs (Nichols & Evans-Bell, 2017). It is likely that, when comparing the experiences of Black students who graduated from HBCUs with Black students who graduated from non-HBCUs, the HBCU students may feel that individual administrators have more of a responsibility to initiate helping them with their financial aid (due to the closer relationship between administrators and faculty with students). As well, since this paper only studies students who earned a bachelor's degree, it is likely that students with more financial need graduate from HBCUs based on recent analysis from the Education Trust (Nichols & Evans-Bell, 2017).

Future Research

The results can inform the scholars' thinking about students' conceptualizations of undergraduate debt and how they reassess their postbaccalaureate plans. Future research could test the theoretical framework to discover if this process of reassessment shifts for certain other student populations (e.g., non-traditional students, students identifying as other racial/ethnic minority groups). Although this analysis found evidence

of timing and structure of information, family as a source of knowledge, comfort with the amount borrowed, and the realities of postbaccalaureate decision-making supporting the framework, gaps remain in scholars' and practitioners' understanding of how students internalize the borrowing of larger amounts. Particularly with the sample size and qualitative focus, it is inappropriate to draw conclusions about the behaviors and perceptions of all Black HBCU bachelor's degree earners. These results do, however, provide a first glimpse into the decision-making process among a small group of students in this population.

The current work contributes to the field of education policy with suggestive evidence on the importance of following students beyond graduation to investigate how undergraduate debt continues to influence their perceptions and decision-making. It may be more complicated to reach this population, but participants' reported beliefs and behaviors seemed to shift drastically as they began repayment. Future research should focus on longitudinal qualitative investigations of how underrepresented students conceptualize undergraduate debt and their repayment options. As prior research shows, Black students borrow at higher rates and accumulate greater amounts of both total and federal undergraduate debt. However, little is known about how these students think about their borrowing, repayment options, and postbaccalaureate decision-making. Conducting interviews with Black students graduating from other HBCUs would enrich the results presented here. Conducting interviews with Black students attending non-MSIs similar in institutional profile to HBCUs would also be useful. By integrating the suggestions listed in the limitations section future researchers can potentially increase the participation rates.

Furthermore, it would be useful to investigate the mechanisms best suited to effectively educate students about both their cumulative debt and their repayment options. A better understanding of the efficiency and effectiveness of administrators, interactive modules online, or a combination of the two would help practitioners better devote resources to helping their students in a financially constrained environment.

Implications for Policy and Practice

Providing better information on repayment plans during students' undergraduate careers could decrease the negative effects of larger cumulative undergraduate debt. As students gain a greater understanding of their options for managing debt repayment, there could be a lessening of the potentially negative effect of undergraduate debt on graduate school enrollment and early-career occupation salary.

Federally mandated loan counseling occurs when students enter and exit higher education (statutory regulations only allow institutions to require counseling at these two time points). This might not give many students enough information to make them cognizant of the amount of undergraduate debt they have accumulated. Students in the analysis for this paper did have the ability to contact financial aid administrators at any time during their undergraduate career to arrange a meeting to discuss their undergraduate debt. However, five of the six participants indicated that they did not know there was a deficit in their understanding of their debt and repayment, which made it unlikely that they would have approached an administrator. It could be useful to mandate institutional loan counseling in the spring of each year a student is enrolled in an undergraduate degree program. From the results, this analysis found that students responded best to knowing the total amount of debt accumulated and the monthly repayment amount. If future work can replicate these findings, it might be useful for institutions to require students to complete a simple module that shows them their cumulative debt and approximate monthly repayment amount. A federal policy coupled with additional practical support would be required.

Financial aid offices could also be more proactive around loan counseling, particularly when students have accumulated a significant amount of credits, such as 90 credits for a bachelor's degree (which is 30 credits away from the typical minimum to earn the credential). This would be more difficult for commuter than residential institutions due to the latter's ease of access to the student population. However, if the

federal government mandated a “continual counseling” session to take place once a student reaches 90 credits, the institution could couple this with a counseling workshop or event held by the financial aid office. The results of the current analysis show that students did not have a continuous understanding of the amount of cumulative debt that had amassed, even with the current mechanisms for them gaining that knowledge. The Department of Education currently has an experimental sites initiative which allows institutions “the flexibility to require additional loan counseling for student borrowers beyond the statutorily required one-time entrance and one-time exit counseling as a condition for the students to receive Direct Loan funds” (U.S. Department of Education, 2016b, para. 3). This would be an opportunity to test how additional loan counseling can influence the way graduates conceptualize their student debt.

Because financial aid offices are understaffed and facing resource shortages (NASFAA, 2016), it would be useful to couple a mandate for additional counseling with additional funds or the streamlining of financial aid staffers' other responsibilities. If that is not feasible, experimenting with low-cost methods of delivering accurate and timely information on undergraduate borrowing, such as an interactive website, would be advantageous. By creating more opportunities for students to understand how much they have borrowed and how this will affect them in the future, institutions could create borrowers who understand better how to prepare themselves for their postbaccalaureate lives. The financial aid office component of this may be crucial because there is potential for perverse incentives if institutions or other key stakeholders further educate students on the amount of debt borrowed without including information on how students can manage their debt. Students could feel that the cumulative amount of undergraduate debt is too much and so they might be better off dropping out of college and starting to work to begin repayment. Early and frequent education about the ways to manage undergraduate debt repayment is critical in order to begin lessening the negative effects of undergraduate debt.

Conclusion

The current research found that interviewing Black students who graduated from an HBCU longitudinally can reveal nuance in the students' perceptions of their undergraduate debt and its relationship with their postbaccalaureate decision-making. All borrowing is not unhealthy. However, prior research suggests that certain students (e.g., Black students) react more strongly and in potentially less optimal ways to undergraduate debt. Understanding why these students might react to their undergraduate debt level differently than their peers could be one potential tool in helping Black students navigate the student loan repayment process. This could potentially help these students with avoiding default and other negative effects of excessive repayment burdens.

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Appendix

Item 1

Interview protocol for phase one interviews.

I. Introduction

Hello, this is [researcher]. We previously arranged to meet to talk about a research study for my dissertation. Are you ready to talk?

Excellent. Again, I want to reiterate that your participation in this study is voluntary and that you are free at any time to stop this interview or not answer a question.

The interview should take no more than 60 minutes of your time and should likely only take 45 minutes.

Are you ready? Okay, let's begin.

II. Undergraduate Debt and Repayment

Tell me about how much money you borrowed to attend undergrad.

How do you feel about that amount?

Do you feel that it was worthwhile to borrow this amount to finance your education? Please explain why.

Would you have been willing to borrow more? Please explain why you would say yes or no.

Did you ever consider how you would repay those loans? How?

Tell me about the sources you've consulted to make your decision about how to repay your loans.

III. Postbaccalaureate Decision-Making

Tell me about your plans after graduation.

Have those plans been influenced by the amount of debt you have? If so, why? If not, why do you think that is?

If you did not have any undergraduate debt, what would your plans be after you graduate?

IV. Conclusion

Is there anything else you might like to add?

Would it be okay if I contact you again in the fall with any follow up questions?

Thank you again for your time! I appreciate your taking the time to share your views.

Item 2

Interview protocol for phase two interviews.

I. Introduction

Hello, this is [researcher]. We previously spoke about your perceptions about your undergraduate debt and you agreed to participate in a follow-up interview. Are you ready to talk?

Excellent. Again, I want to reiterate that your participation in this study is voluntary and that you are free at any time to stop this interview or not answer a question.

The interview should take no more than 45 minutes of your time and should likely only take 30 minutes.

Are you ready? Okay, let's begin.

II. Undergraduate Debt and Repayment

Tell me about how much money you borrowed to attend undergrad.

How do you feel as you near repayment on those loans about that amount?

Do you feel that it was worthwhile to borrow this amount to finance your education? Please explain why.

Would you have been willing to borrow more? Please explain why you would say yes or no.

Did you ever consider how you would repay those loans? How?

Tell me about the sources you've consulted to make your decision about how to repay your loans.

Have you thought about how much a monthly payment will be depending on your options?

III. Postbaccalaureate Decision-Making

Tell me about what you've been doing since we last spoke.

What are your plans for the next few years?

Are you thinking about graduate school? Please explain why or why not.

What type of career would you like to have eventually?

Have those plans been influenced by the amount of debt you have? If so, why? If not, why do you think that is?

If you did not have any undergraduate debt, what would your plans be after you graduate?

IV. Conclusion

Is there anything else you might like to add?

Would it be okay if I contact you again in the fall with any follow up questions?

Thank you again for your time! I appreciate your taking the time to share your views.

Table A1

Artifacts Analyzed

	Source	Location
Southern Regional Institution		
Descriptions of types of aid	Website	[Confidential]
Entrance and exit counseling	Website	[Confidential]
Financial aid summary checklist	Website	[Confidential]
Handbook on financial aid	Paper	
Key financial aid terms	Website	[Confidential]
U.S. Department of Education		
Aid for military families website	Website	https://studentaid.ed.gov/sa/types/grants-scholarships/military
Basic eligibility criteria website	Website	https://studentaid.ed.gov/sa/eligibility/basic-criteria
Basics for students	Paper	https://studentaid.ed.gov/sa/sites/default/files/direct-loan-basics-students.pdf
Be a responsible borrower: Plan ahead and graduate with less debt	Paper	https://studentaid.ed.gov/sa/sites/default/files/responsible-borrower.pdf
Choose a career school carefully	Paper	https://studentaid.ed.gov/sa/sites/default/files/choose-school.pdf
Comparing federal and private student loans graphic	Paper	https://studentaid.ed.gov/sa/sites/default/files/federal-vs-private-loans-graphic.png
Deferment and forbearance website	Website	https://studentaid.ed.gov/sa/repay-loans/deferment-forbearance
Don't get scammed on your way to college!	Paper	https://studentaid.ed.gov/sa/sites/default/files/dont-get-scammed.pdf
Entrance counseling module	Website	https://studentloans.gov/myDirectLoan/entranceCounseling.action?execution=e2s1
Exit counseling module	Website	https://studentloans.gov/myDirectLoan/exitCounseling.action?execution=e5s1
Federal student aid and identity theft	Paper	https://studentaid.ed.gov/sa/sites/default/files/student-aid-and-identity-theft.pdf
Federal student loan programs	Paper	https://studentaid.ed.gov/sa/sites/default/files/federal-loan-programs.pdf
Federal student loans	Website	https://studentloans.gov/myDirectLoan/index.action
Federal Student Loans: Direct PLUS loan basics for parents	Paper	https://studentaid.ed.gov/sa/sites/default/files/direct-loan-basics-parents.pdf

Financial awareness counseling module	Website	https://studentloans.gov/myDirectLoan/financialAwarenessCounseling.action?execution=e3s1
Forgiveness, cancellation, and discharge website	Website	https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation
Getting a federal student loan graphic	Paper	https://studentaid.ed.gov/sa/sites/default/files/get-loan.png
Glossary	Website	https://studentloans.gov/myDirectLoan/glossary.action
How to repay your loans website	Website	https://studentaid.ed.gov/sa/repay-loans
Income-driven repayment plans for federal student loans	Paper	https://studentaid.ed.gov/sa/sites/default/files/income-driven-repayment.pdf
Interest rates and fees website	Website	https://studentaid.ed.gov/sa/types/loans/interest-rates
Loans overview website	Website	https://studentaid.ed.gov/sa/types/loans
Non-U.S. citizens website	Website	https://studentaid.ed.gov/sa/eligibility/non-us-citizens
Peace Corps and repayment of your federal student loans	Paper	https://studentaid.ed.gov/sa/sites/default/files/peace-corps-and-loan-repayment_1.pdf
Public service loan forgiveness program	Paper	https://studentaid.ed.gov/sa/sites/default/files/public-service-loan-forgiveness.pdf
Repaying your loans	Paper	https://studentaid.ed.gov/sa/sites/default/files/repaying-your-loans.pdf
Repayment calculator	Website	https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action
Trouble making your federal student loan payments? Graphic	Paper	https://studentaid.ed.gov/sa/sites/default/files/trouble-paying-graphic.png
Understanding default website	Website	https://studentaid.ed.gov/sa/repay-loans/default
When it's time to repay graphic	Paper	https://studentaid.ed.gov/sa/sites/default/files/repayment-plans-graphic.png
Why get a federal student loan?	Paper	https://studentaid.ed.gov/sa/sites/default/files/why-get-fed-loan.pdf
Consumer Financial Protection Bureau		
Repay student debt	Website	http://www.consumerfinance.gov/paying-for-college/repay-student-debt/#Question-1:federal
Federal Trade Commission		
Student loans	Paper	https://www.consumer.ftc.gov/articles/pdf-0048-student-loans.pdf